

HOUSE BILL 228  
By Ferguson

AN ACT to amend Tennessee Code Annotated, Title 68,  
Chapter 11, Part 16, relative to certificates of need  
for nursing home beds.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 68, Chapter 11, Part 16, is amended by adding  
the following as a new appropriately designated section:

68-11-16\_\_.

(a) A replacement facility application is any application that proposes to  
replace one or more currently licensed nursing homes with one single licensed  
nursing home.

(b) Any application or portion of a replacement facility application that  
does not increase the number of licensed beds over the number of beds in the  
existing facility or facilities being replaced shall be reviewed by the department  
and considered by the agency pursuant to the criteria in § 68-11-1609(b), and  
shall not be considered new nursing home beds. In reviewing the application,  
the agency shall give preference to projects that propose replacement facilities  
because of building or life safety standard issues. The criteria of §§ 68-11-1621  
and 68-11-1622 shall not apply to such replacement facility applications.

(c) If a replacement facility application seeks to increase the number of  
licensed beds over the number of beds in the existing facility or facilities being  
replaced, that portion of the application that increases the number of beds must

comply with the provisions of § 68-11-1622, and shall be considered new nursing home beds. The remaining part of the application relative to the replacement of the facility or facilities shall be reviewed by the department and considered under the criteria set out in section (b) above. In reviewing such an application, the agency shall give preference to projects that propose replacement facilities because of building or life safety standard issues.

(d) Other than as provided in this subsection, the relocation of licensed nursing home beds to another facility or site is prohibited.

SECTION 2. Nothing in this act shall affect a certificate of need project filed prior to the effective date of this act.

SECTION 3. This act shall take effect July 1, 2005, the public welfare requiring it.